

CORPORATE SCRUTINY AND PERFORMANCE PANEL

Thursday 13 December 2007 at 6.00 p.m.

Panel Members present Councillor M. Longhi (Chair)
Councillor M. Nazir
Councillor M. Bird
Councillor J. Cook
Councillor J. Rochelle
Councillor J. Phillips
Councillor H. Sarohi
Councillor C. Towe
Councillor D. Turner

Officers present James Walsh – Assistant Director – Finance
Rob Flinter – Assistant Director – Performance Management
Vicky Buckley – Head of Corporate Finance
Alison Jarrett – Head of Service Finance
Clive Wright – Director, Walsall Borough Strategic Partnership
Ian Jones – Welfare Rights Manager
Craig Goodall – Scrutiny Officer

42/07 APOLOGIES

Apologies for non-attendance were submitted on behalf of Councillor A. Griffiths, Portfolio Holder for Finance and Personnel.

43/07 SUBSTITUTIONS

There were no substitutions for the duration of this meeting.

44/07 DECLARATIONS OF INTEREST AND PARTY WHIP

There were no declarations of interest or party whip identified at this meeting.

45/07 MINUTES OF PREVIOUS MEETINGS

Resolved

That the minutes of the meetings held on 26 November 2007 and 28 November 2007, copies having previously been circulated, be approved as a true and accurate record.

(annexed)

46/07 FORWARD PLAN

In response to a series of points by Members Rob Flinter reported that David Martin, Interim Chief Executive, had communicated with all senior managers informing them of the importance of ensuring that all key decisions are listed on the Forward Plan in a

timely fashion. Further information about the content of each decision could be gained from contacting the officer listed next to the relevant decision.

Members reiterated the point made at previous meetings stating that it was desirable for the Forward Plan to be revised so that details of decisions scheduled to be made was included as a matter of course.

Members expressed surprise that the potential income that could be raised from the introduction of on-street pay and display parking facilities, 118/07, was counted in the budget information presented to them at their last meeting before it the proposed decision had appeared on the Forward Plan. Members felt that this issue should be considered by the Neighbourhoods Scrutiny and Performance Panel.

The Panel asked for a letter to be sent to Councillor Harris, Portfolio Holder for Transport, clarifying when the item regarding the introduction of on-street parking charges was entered onto the forward plan and explanation for why the income stream from this are was included in the budget options before it became council policy.

In response to a question Craig Goodall explained the background to decision 97/07 'Award of contract for the host organisation for LINKs'.

Resolved

That:

a) the Neighbourhoods Scrutiny and Performance Panel be requested to consider decision 118/07 'Introduction of on-street pay and display parking facilities – financial and traffic management implications within Walsall Town Centre'.

and;

b) letter be sent to Councillor A. Harris requesting when the item regarding the introduction of on-street parking charges was entered onto the forward plan and explanation for why the income stream from this are was included in the budget options before it became council policy.

47/07 WELFARE RIGHTS SERVICE

The Panel considered a draft business case for the Welfare Rights Service (WRS) to transfer to charitable trust status.

Ian Jones reported that an objective business case had been drafted so that informed considerations could be made. The business case had considered the phased approach to establishing the trust as recommended by the Panel on 25 October 2007. He informed Members that this was a unique proposal and that there was no other project nationally that could be compared to the proposed WRS trust.

The Panel noted that financial projections had not been completed until the budget process was complete. The Panel also noted that there was outstanding advice from Legal Services and Human Resources and Development (HRD) that would need to be

taken into account. Members expressed their wishes for any outstanding advice to be provided as expediently as possible.

The estimated annual cost of the proposed trust was £1.2m. This was the same cost as the current WRS and included £235,000 that was received from outside sources including Neighbourhood Renewal Fund (NRF) that was going to end on 31 March 2008. This money directly supported the salaries of 7.5 full time equivalent (fte) staff that would have to be made redundant unless additional funding was secured to support them. NRF was set to be replaced by the Working Neighbourhood Fund (WNF). Clive Wright explained that whilst full details of how WNF should be spent were not available it was anticipated that it would not fund the same schemes as NRF.

The business case had considered where additional funding could be obtained and conservative projections were predicting an additional income of £60,000 from outside sources in the trusts first year.

In response to a series of questions from Members it was reported that unless an alternative source for the £235,000 from outside sources was found soon redundancy notices would need to be issued to the 7.5fte staff whose posts were funded by it. Ian Jones confirmed that these staff were currently seeking new jobs and due to the shortage of experienced workers in this area he anticipated losing a number of them soon. He also informed Members of the concerns that had been expressed by Trade Unions for staff in the visiting teams whose job descriptions would require altering by the creation of a trust. He added that all those staff who would be required to transfer to the proposed trust were happy to do so. Members expressed concern at the prospect of losing 7.5fte staff from the WRS. The Panel felt that Cabinet should replace the money that was due to be lost and prevent the loss of valued and experienced staff at this transitional time for the WRS. Another idea that was discussed to replace the lost finance was increasing the Council Tax.

In terms of financing the proposed trust Members envisaged the scheme to work in a similar way to how the Citizens Advice Bureau was through a service level agreement and elected Members appointed to its Board to monitor its work.

Craig Goodall advised the Panel that Council had not formally agreed to establish a trust at its meeting on 5 November 2007. Council had noted the Panels recommendations for a phased approach to be considered as part of the business case but had not given approval for the actual establishment of a trust, moreover, Council do not actually have the power to establish a trust. For a trust to be established it would be necessary for Cabinet to make the formal decisions. Following discussion of this issue Rob Flinter agreed to write to all Panel Members outside the meeting to clarify this issue.

Ian Jones informed Members that the business case had been devised so that January-April 2008 could be spent completing the preparatory work. It was intended that three of the current WRS staff would establish a project to complete the work. HRD advice had been received about the best model to use to complete the project. James Walsh reported that the totality of the costs for the transfer needed to be calculated.

Members congratulated the authors of the report for a well written document. The business case had set the scene and the steps that needed to be taken for transfer of

the WRS into a charitable trust. It was time to take the report to Council and get it's endorsement on the business case.

Resolved

That:

- a) Cabinet replace the £235,000 funding currently received by the Welfare Rights Service from Neighbourhood Renewal Fund and other outside sources to secure the futures of the 7.5 full time equivalent staff identified in the business case whose posts are funded by this money beyond 31 March 2008;**
- b) the Corporate Scrutiny and Performance Panel request that Human Resources and Development and Legal Services provide full support to the Welfare Right Service to enable the necessary steps to be taken to assist it in transferring to charitable trust status;**

and;

- c) the business case on the transfer of the Welfare Rights Service to charitable trust status be recommended for consideration at the next meeting of Council on 14 January 2008 for endorsement.**

45/07 SUSTAINABLE COMMUNITY STRATEGY

Members considered a draft of the Sustainable Community Strategy (SCS) as developed by Walsall Borough Strategic Partnership (WBSP).

Clive Wright gave a presentation on the SCS and explained that the SCS was the key overarching plan for Walsall until 2021. It included six year aims and priorities that were split into three year stages. The aims and priorities would be used to inform the indicators in the new Local Area Agreement (LAA) that was currently being devised. With the new LAA it was possible for up to 35 performance indicators to be chosen to monitor improvements. However it was being considered choosing a lower number of performance indicators to increase the priority and focus on the LAA objectives. Advice was being sought from the Department for Communities and Local Government on whether or not the new LAA would replace those indicators that were still ongoing within the current LAA.

In response to a question Clive Wright explained that the SCS was considered to be sustainable as the aims and priorities within it were aimed at the present with the future situation in mind. He continued by explaining that the overwhelming focus from partners for the SCS was around creating employment. In terms of funding for delivery of the SCS he explained that unringfenced pooled grants for partners did represent a challenge that needed to be overcome. This would require partners to work together to prioritise how newly pooled budgets would be spent.

A Member commented that whilst it was desirable to promote sustainable forms of transportation such as cycling and walking it was still necessary to recognise the importance of cars within the SCS. Improvements to M6 motorway were incredibly desirable and would have a beneficial impact on the borough.

Clive Wright thanked Members for their questions and comments and proposed to meet with the Panel again with a final draft of the SCS once it had completed its consultation.

Resolved

That:

a) automotive forms of transport be incorporated into the Sustainable Community Strategy;

and;

b) the final draft of the Sustainable Community Strategy be considered by the Corporate Scrutiny and Performance Panel.

46/07 DRAFT WALSALL COUNCIL BUDGET OPTIONS 2008/09

Members considered the budget options for Walsall Council's budget for 2008/09 in light of the Government's indication of the proposed budget settlement.

The Chairman reminded Members that this was their opportunity to reconsider the recommendations that they had made in their earlier meetings on the budget.

Vicky Buckley gave a presentation to Members on the indication received from the Government on the likely financial settlement.

(annexed)

She highlighted that Walsall Council would receive an increase of £12m compared to 2007/08. However £5.6m of previously ring fenced grants had been included in the general budget so the real increase was £6.4m, £2.5m higher than the internal estimates. This represented an increase of 5.2% which was higher than the average increase for English and Metropolitan Councils.

She explained the Government formula grant process and floor damping which had been applied. Floor damping had seen Walsall lose around £7m to other local authorities that were prejudiced by the formula grant process. There was still some uncertainty on the final settlement regarding grants movements, collection fund and WNF which was replacing NRF.

The Panel discussed floor damping and expressed disappointment that Walsall was losing out on finance that the formula grant said it was entitled to. However it was accepted that some redress was needed for inequalities caused by the formula grant.

In response to a question Vicky Buckley clarified that the total budget was £7m less than last year but £2.5m up on initial officer estimates that were reported at the last budget meetings.

Following questions Members were informed that neighbouring authorities were considering raising council tax between 1.9-5.0%.

Members refused to support the proposal to bring in £75,000 by the introduction of on-street parking charges in the town centre.

Vicky Buckley clarified that allowances for vacancies were already taken into account in budgets, a base adjustment of 1.5% against all staffing budgets, however many services had higher limits so only very limited further savings could be made in this area.

Vicky Buckley advised the Panel that a number of suggested efficiencies highlighted in the Social Care and Inclusion Directorate could be supported with no impact on service delivery. Members supported a number of proposed efficiencies in the Social Care and Inclusion Directorate subject to clarification being received from Vicky Buckley on Social Care and Inclusion efficiencies 29, 33 and 35.

Members considered the risk assessment for the proposed efficiencies in administration support provided to the Children and Young Peoples and Social Care and Inclusion Directorates. Based on the risk assessment the Panel supported the proposed efficiencies.

Members supported proposed efficiencies 21 and 22 in the Regeneration Directorate to merge the highways development control with the transportation team and reduce supplies and services. Members refused to support the deletion of an information support officer post in local land charges.

Members reiterated their earlier comments for Cabinet to find funding to support the WRS when it lost £235,000 that was currently being received from outside sources. This money should be found even if it meant increasing council tax.

Following a discussion the Panel decided to suggest that Cabinet recommend a 3.75% increase in council tax to Council.

The Chairman informed the meeting of a letter that he received from the Leader of the Council following the Panels request for Cabinet to delay considering the budget to allow the recommendations of those Scrutiny and Performance Panels who were meeting after the despatch of Cabinet papers to be considered. The Chairman reported that the Leader of the Council commented that it was not possible to delay the meeting of Cabinet and gave assurances that all recommendations from all Scrutiny and Performance Panels would be taken into account.

Councillor J. Phillips asked for it to be recorded that he abstained from voting on the all of the recommendations.

Resolved

That:

- a) additional clarification for the avoidance of any doubt be provided on items 29, 33 and 35 from the Social Care and Inclusion ‘must do efficiencies’ regarding the reduction of the cost of external placements and providing of contract efficiencies;**
- b) items 29-41 from the Social Care and Inclusion ‘must do efficiencies’ be supported with the right reserved to alter this opinion in light of advice received in relation to recommendation (a);**

- c) the proposed efficiencies for the reduction in administration support to Children and Young Peoples services and Social Care and Inclusion, items 47 and 48 in the Corporate Services 'must do efficiencies' be supported;
- d) the proposed efficiencies to merge the highways development control and transportation teams and reduce supplies and services, items 21 and 22 from the Regeneration 'must do efficiencies' be supported;
- e) the introduction of on street parking car parking charges in the town centre, item 6 from the Neighbourhoods fees and charges proposals, be strongly rejected;
- f) £235,000 be identified to support the 7.5 full time equivalent staff in the Welfare Rights Service whose posts are currently funded by Neighbourhood Renewal Fund and other outside sources which ends on 31 March 2008;
- g) that Cabinet recommend a 3.75% increase in Council Tax to Council;

47/07 SIX MONTH PERFORMANCE UPDATE

Members were provided with a six month update on how services within the Corporate Services Directorate were performing against priorities, performance indicators and customer satisfaction.

Rob Flinter informed Members that all but two of the priorities identified for Corporate Services were on target. Following comments from Members a briefing note on the adjusting of the target date to achieve Investors in People status was requested. James Walsh explained that the priority to deliver the Lyons action plan was no longer applicable.

Vicky Buckley took Members through the Corporate Services budget. Overall the directorate was predicted to underspend but there were financial problems in legal services that were being addressed.

Rob Flinter reported that the Beacon Index measures for staff sickness and payment of invoices were not being achieved. Performance action plans were in place for both indicators but it was unlikely that either target would be achieved by the year end. The projects for the pay and grading review and Cannock Chase were currently earmarked with an amber status and it was anticipated that these would be back on target in the near future.

Rob Flinter underlined now customer focus, including citizens panels, drove the directorates service plans. An increased number of complaints had been received compared to last year. Detailed information on the type and character of complaints could be investigated by individual scrutiny and performance panels.

The Panel were informed that 77.5% of Freedom of Information requests were dealt with within the deadlines set out by the Government.

Members requested details on how Walsall Council dealt with information security in light of the current losses of personal data made by the Government Departments.

Rob Flinter reported that the Use of Resources score of three had been retained and the direction of travel was assessed to be improving well.

Resolved

That

- a) a briefing note on progress with actions towards gaining Investors in People status be provided to the Corporate Scrutiny and Performance Panel;**
- and;**
- b) an item on information security be considered by the Corporate Scrutiny and Performance Panel.**

The meeting terminated at

Chair:

Date: